IRS NAMES NEW DIRECTOR OF ELECTRONIC TAX ADMINISTRATION

WASHINGTON – The Internal Revenue Service has selected Terence H. (Terry) Lutes as the new Director, Electronic Tax Administration. Lutes had been acting in that capacity since October 2000, when former director Robert E. Barr left to rejoin the private sector.

"Terry brings a strong set of skills and expertise to a position that is vital to the long-term success of the IRS," said IRS Commissioner Charles O. Rossotti. "IRS's electronic services have seen strong growth in recent years, and Terry's leadership will help continue that tradition and expand it into new areas."

Electronic Tax Administration (ETA) coordinates policy, security and other broad issues relating to electronic services and assists the IRS's business divisions in integrating electronic interactions into their standard operations. ETA supports the divisions in planning, developing and managing comprehensive strategies and programs to increase the range of IRS electronic services available to individual and business taxpayers, tax practitioners, federal and state agencies and others. Expanding electronic interactions and minimizing paper transactions are a cornerstone of the IRS's modernization effort.

Filing taxes electronically has soared in recent years. In 2000, more than 35 million returns were filed electronically, an increase of nearly 85 percent from three years earlier. During the same period, on-line filing from home computers jumped above 5 million, an increase of more than 13 times the level from 1997.

As director, Lutes serves as the principal advisor to the agency on IRS-wide electronic administration matters. One of his primary tasks will be to help ensure the smooth transition of e-services into standard IRS business practice.

"Terry will help ETA continue to make taxes easier for people," said John M. Dalrymple, Commissioner of the Wage and Investment Division, to which ETA reports. "His breadth of skills and more than two decades of experience will be an asset for this critical program."

Lutes was the director of the IRS's Martinsburg Computing Center when he was tapped to fill the acting directorship of ETA. Other positions include director of electronic

program operations, assistant director of the Cincinnati district office and assistant director of the Cincinnati service center. Lutes has been with the IRS since 1977 and holds a master's degree in public administration.

